

12-18-2003

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Form PTO-1594

(Rev. 10/02)

OMB No. 0651-0027 (exp. 6/30/2005)

Tab settings ⇨ ⇨ ⇨



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U.S. DEPARTMENT OF COMMERCE
U.S. Patent and Trademark Office

To the Honorable Commissioner of Patents and Trademarks: Please record the attached original documents or copy thereof.

1. Name of conveying party(ies):

BALLY GAMING, INC. (D/B/A BALLY GAMING
AND SYSTEMS)

- ☐ Individual(s) ☐ Association
☐ General Partnership ☐ Limited Partnership
☒ Corporation-State (Nevada)
☐ Other _____

Additional name(s) of conveying party(ies) attached? ☐ Yes ☒ No

3. Nature of conveyance:

- ☐ Assignment ☐ Merger
☒ Security Agreement ☐ Change of Name
☐ Other _____

Execution Date: September 5, 2003

2. Name and address of receiving party(ies)

Name: Bank of America, N.A., as Administrative Agent

Internal

Address: CA9-706-17-54

Street Address: 555 South Flower Street, 17th Floor

City: Los Angeles State: CA Zip: 90071

- ☐ Individual(s) citizenship _____
☐ Association _____
☐ General Partnership _____
☐ Limited Partnership _____
☐ Corporation-State _____
☒ Other A national banking association.

If assignee is not domiciled in the United States, a domestic
 representative designation is attached: ☐ Yes ☐ No
 (Designations must be a separate document from assignment)
 Additional name(s) & address(es) attached? ☐ Yes ☒ No

4. Application number(s) or registration number(s):

A. Trademark Application No.(s) Please see

Schedule 1 attached hereto.

B. Trademark Registration No.(s) Please see

Schedule 1 attached hereto.

Additional number(s) attached ☐ Yes ☐ No

5. Name and address of party to whom correspondence concerning document should be mailed:

Name: Susanna Zubia

Internal Address: Mayer, Brown, Rowe & Maw LLP

Street Address: 350 South Grand Avenue
 25th Floor

City: Los Angeles State: CA Zip: 90071

6. Total number of applications and registrations involved: 99

7. Total fee (37 CFR 3.41): \$ 2490.00

- ☒ Enclosed
☐ Authorized to be charged to deposit account

8. Deposit account number:

N/A

DO NOT USE THIS SPACE

9. Signature.

Susanna Zubia

Name of Person Signing

Signature

December 12, 2003

Date

Total number of pages including cover sheet, attachments, and document: 20

12/19/2003 LNUELLER 00000010 75183239

Mail documents to be recorded with required cover sheet information to:
 Commissioner of Patent & Trademarks, Box Assignments
 Washington, D.C. 20231

01 FC:8521
 02 FC:8522

40.00 OP
 2450.00 OP

TRADEMARK
 REEL: 002877 FRAME: 0604

SCHEDULE 1

Existing and Pending Patents

<u>Patent</u>	<u>Registration Number</u>	<u>Registration Date</u>
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Bally Gaming Inc.			
Domestic Marks	Goods/ Services	Filing Date	Serial #
24 Karat	Gaming Machines	96/10/16	75-183239
2nd Chance	Video Game	88/03/28	73-719099
3 Way Pay	Slot Machines	9/11/2002	78/162836
99 Bottles of Beer	Slot Machines	99/10/04	75-813601
Audio Assist	Slot Machines	6/19/2002	78/137110
Balligator	Slot Machines	94/06/01	74-532246
Bally Gaming	Gaming Equipment	92/06/04	74-282077
Bell Ringer	Slot Machines	94/11/15	74-599177
Black & White	Gaming Machines	96/10/16	75-183239
Black Gold	Video Games	89/10/13	73-831263
Black Gold Black & Design	Video Games	90/01/24	74-022285
Black Velvet	Slot Machines	93/11/10	74-456890
Blazing 777 & Design	Slot Machines	94/05/03	74-523332
California Dreamin'	Slot Machines	93/11/08	74-455472
California Millionaire	Slot Machines	4/24/2000	76/034338
California Millions	Slot Machines	4/24/2000	76/034337
Cash Cage	Currency Dispenser	96/11/06	75-194196
Cruise for Life	Slot Machines	10/8/2002	78/172164
Diamond Winners	Slot Machines	94/06/20	74-539998
Diamonds & Roses	Slot Machines	96/02/02	75-052125
	Card Reader and Keypad		
DMK		92/04/01	74-261467
Double Deluxe	Video Games	91/11/14	74-222863
EVO Evolution Series	Slot Machines	4/24/2000	76/034341
Feature Frenzy	Gaming Devices	97/08/11	75-340461
Fire and Ice	Slot Machines	94/01/21	74-481878
Firecracker	Slot Machines	92/07/08	74-292859
Five & Dime	Slot Machines	98/04/20	75-470683
Five Grand	Video Games	89/10/13	73-831262
French Quarters	Video Games	92/08/28	74-309900
Funky Times	Slot Machines	3/13/2002	78/114598
Game Magic	Gaming Devices	97/08/11	75-340462
Game Maker	Slot Machines	95/09/27	74-734836
Game Maker	Video Games	92/11/09	74-330029
Gamekeeper	Slot tracking system	93/11/08	74-455468
GameTicker	Computer Software	00/09/20	76-131613
	Game Management System		
GameTrak		94/12/19	74-612957
GameWatch	Computer Software	96/10/25	75-187437
GAMMA	Printed Material	99/10/01	75-813600
GAMMA	Membership Mark (filed for Design)	99/10/01	75-813602
GAMMA	Membership Mark (filed for Word)	98/12/18	75-607980
Get Rich Quick	Slot Machines	6/26/2002	78/139197

Gimme 5	Gaming Machines	96/10/16	75-183237
Gold Mine	Gaming Machines	96/07/16	75-134785
Grand Slam	Slot Machines	90/06/01	74-064612
Hat Trick	Slot Machines	93/10/18	74-448774
High Fives	Video Games	92/07/08	74-292857
Hit 'N Run	Slot Machines	93/11/08	74-455469
Jacks R Better	Video Games	94/05/03	74-521152
Jumpin Jokers	Slot Machines	94/04/20	74-519357
Keno Plus	Slot Machines	96/03/15	75-073441
King Tut's Treasure	Slot Machines	6/19/2002	78/137044
Lightning Sevens	Slot Machines	94/06/17	74-540481
Loony Darts	Gambling devices and associated software	97/08/25	75-346719
Lotsa Loot	Slot Machines		
Majestic Lions	Slot Machines	93/11/18	74-460212
Mastercom	Slot Machines	92/04/01	74-261468
Millionaire 7's	Slot Machines	4/24/2000	76/034333
Millionaire Diamonds	Slot Machines	7/23/2001	78-075259
Millionaire Sevens	Slot Machines	4/24/2000	76/034334
Mini Royal	Slot Machines	93/11/18	74-460213
Multi-Play Draw Poker	Slot Machines	2/11/2002	78-108113
Naughty Nickels	Slot Machines	94/01/21	74-481860
Overload	Slot Machines	93/10/27	74-453486
Paint By Numbers	Slot Machines	6/19/2002	78/137038
Pharaoh's Treasure	Slot Machines	93/11/08	74-455467
Pick'em Poker	Video Games	95/02/22	74-637606
Pick A Pay	Slot Machines	9/13/2002	78-164089
Plum Crazy	Slot Machines	93/11/08	74-455471
Pool Shark	Slot Machines	98/12/14	75-605119
Proslant	Slot Machines	94/06/17	74-540493
Proslot	Slot Machines	94/05/12	74-524488
Prosound	Software, Eproms, & Sound Cards	96/08/15	75-151005
Provideo	Video Games	94/05/12	74-524487
Rapid-5-Way	Video Games	89/10/13	73-831260
Reel Gems	Video Games	92/07/08	74-292860
River City Casino	Entertainment Services	10/1/2002	78/169893
River Queen Hotel & Casino	Hotel/Restaurant Services	8/21/2002	78/156558
Roaring 20's	Slot Machines	98/12/14	75-605121
Roll The Dice	Gaming Devices	97/06/30	75-317409
Run The Table	Slot Machines	9/28/2001	78/086188
Same Four Wins More	Slot Machines	94/06/17	74-540494
SDS	Computer Tracking System	81/08/06	73-322454
SDSWEB	Computer Tracking System	06/11/06	7659326
Series E	Video Games	82/06/28	73-371918
Silver & Gold	Slot Machines	95/02/22	74-637605
Sir Prize	Slot Machines	93/10/27	74-453487
Stars and Bars	Video Games	94/01/21	74-482065

Sunset Beach	Slot Machines	4/27/2001	78-060921
Swingtime	Slot Machines	98/12/14	75-605120
System 5000	Slot Machines	87/10/23	73-691471
Ten Grand	Video Games	89/10/16	73-831463
Texas Cash	Slot Machines	9/12/2001	78/083662
The Big Monte	Slot Machines	6/19/2002	78/137014
Thrillions	Gaming Devices	97/12/17	75-406487
Triple Gold	Slot Machines	95/09/15	74-729626
Two Can Win Frenzy	Slot Machines	6/23/2003	78266075
Vicksburg Landing	Hotel/Restaurant Services	9/3/2002	78/160133
White Gold	Slot Machines	93/11/08	74-455404
Wild Rose	Slot Machines	94/06/17	74-540491
Win Pigs Fly	Gaming Machines	96/07/16	75-134787
Wizard of Odds	Slot Machines	96/01/26	75-048813

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Country	Bally Gaming Inc. In'tl Mark	Filing Date	Serial #	Registration #	Registration Date
Argentina	Bally		1.404.363	1.903.208	
Argentina	Bally Gaming	95/11/01	2.007.262	1.756.461	99/10/12
Argentina	Game Maker	95/11/01	2.007.261	1.627.750	97/03/04
Australia	Bally			A157829	60/01/07
Australia	Bally			A252393	71/09/29
Australia	Bally			A294097	76/02/02
Australia	Bally (script)			A294097	77/08/18
Australia	Bally Gaming	95/10/26	676371		
Australia	Blazing 777's & Design	95/10/26	676374	676374	95/10/26
Australia	Diamond Winners	95/10/26	676373	676373	95/10/26
Australia	Game Maker	95/10/26	676372	676372	95/10/26
Australia	The Wizard Of Odds	92/10/28		A589362	92/05/11
Benelux	Bally Gaming	95/10/31	80.151	586207	95/10/31
Benelux	DMK	92/02/18	776075	509803	
Benelux	Game Maker	95/10/31	80.150	586206	95/10/31
Benelux	Mastercom			509905	
Benelux	The Wizard of Odds	92/10/21		521660	92/10/21
Brazil	Bally Gaming	96/03/08	819140465	819140465	98/11/17
Brazil	Game Maker	96/03/08	819140457	819140457	98/11/17
Canada	Bally Gaming	94/02/18	718313	TMA453,296	96/02/02
Canada	Blazing 777 & Design	94/10/04	765822	TMA484,296	97/10/20
Canada	Game Maker	95/11/02	795400	TMA469,718	97/01/27
Canada	Gamekeeper	97/02/17	836832	TMA489,537	98/02/09
Canada	Gamepoint	94/04/13	752189	TMA475,774	97/05/06
Canada	Proseries	94/06/16	757251	TMA452,506	95/12/29
Canada	Proslant	94/08/25	762712	TMA481,900	97/09/02
Canada	Proslot	94/06/16	757252	TMA444147	95/06/16
Canada	Provideo	94/06/16	757253	TMA444148	95/06/16
Canada	Rich & Famous	95/11/02	795399	TMA469,665	97/01/24
Canada	White Lightning	94/05/18	754641	448067	95/09/22
Canada	Wild Bonus Sevens	2001/5/22	1103145		
China	Bally Gaming				
Columbia	Bally Gaming	2002/11/28	02-108.148		
Columbia	Bally Gaming	2002/11/28	02-108.154		
Columbia	Bally Gaming	2002/11/28	02-108.157		
Columbia	Bally Gaming	2002/11/28	02-108.160		
Costa Rica	Bally Gaming			107900	98/06/11
Costa Rica	Game Maker			107841	98/06/11
Denmark	Bally (script)			1330-1959	69/08/01
Ecuador	Bally Gaming	95/10/31	62680	2086-99	99/09/15
Ecuador	Game Maker	95/10/31	62678	2030-97	97/08/06
France	Bally Gaming	92/12/04		92444900	92/12/12
France	Black Gold	90/03/22	11259	1582085	90/11/15
France	Black Gold Black	90/06/20	11795	1634060	91/07/16
France	Blazing 777's & Design	95/10/27	95/594857	95594856	95/10/27
France	Diamond Winners	95/10/27	95/594862	95594862	95/10/27
France	DMK			92-416632	
France	Game Maker	95/10/27	95/594863	95594863	95/10/27
France	Mastercom			92-416636	
France	The Wizard of Odds	92/10/29		92439604	93/05/14

BALLY GAMING TRADEMARK ASSIGNMENT

This BALLY GAMING TRADEMARK ASSIGNMENT ("Assignment") dated as of September 5, 2003, is made by, Bally Gaming, Inc. (d/b/a Bally Gaming and Systems), a Nevada corporation ("Grantor"), in favor of Bank of America, N.A., as Administrative Agent under the Loan Agreement referred to below, the Lenders therein named and in favor of each of the Lenders which may hereafter become a party thereto, collectively as "Secured Party," with reference to the following facts:

RECITALS

A. Alliance Gaming Corporation, a Nevada corporation ("Borrower"), has entered into a Loan Agreement of even date herewith among Borrower, the Lenders referred to therein, and Bank of America, N.A., as Administrative Agent (as it may from time to time be amended, restated, extended, renewed, modified or supplemented, the "Loan Agreement"). This Assignment is the Bally Gaming Trademark Assignment referred to in the Loan Agreement and is one of the "Loan Documents" referred to in the Loan Agreement.

B. Grantor has guarantied the obligations of Borrower arising under or in respect of the Loan Agreement.

C. As a condition of the availability of such credit facilities, Grantor is required to enter into this Assignment to grant security interests to Secured Party as herein provided.

D. Grantor expects to realize direct and indirect benefits from the execution of this Assignment.

AGREEMENT

NOW, THEREFORE, in order to induce the Lenders to extend the credit facilities to Borrower pursuant to the Loan Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Grantor hereby represents, warrants, covenants and agrees as follows:

1. Definitions. Terms defined in the Loan Agreement and not otherwise defined in this Assignment shall have the meanings defined for those terms in the Loan Agreement. As used in this Assignment, the following terms shall have the meanings set forth below:

"Assignment" means this Bally Gaming Trademark Assignment, and any extensions, modifications, renewals, restatements, supplements or amendments hereof.

"Collateral" means and includes all of the following: (a) all of Grantor's now-existing, or hereafter acquired, right, title, and interest in and to all of Grantor's trademarks, trade names, trade styles, and service marks; all prints and labels on which said trademarks, trade names, trade styles, and service marks appear, have appeared, or will appear, and all designs and general intangibles of a like nature; all applications, registrations, and recordings relating to the foregoing in the United States Patent and Trademark Office ("USPTO") or in any similar office

or agency of the United States, any State thereof, or any political subdivision thereof, or in any other countries, and all reissues, extensions, and renewals thereof, including those trademarks, terms, designs, and applications described in Schedule 1 hereto (the "Trademarks"); (b) the goodwill of the business symbolized by each of the Trademarks, including, without limitation, all customer lists and other records relating to the distribution of products or services bearing the Trademarks; (c) all licenses and sublicenses of trademarks, trade names, trade styles and service marks, to the extent that there exists no prohibition as a matter of law or pursuant to such agreements governing such license or sublicense on the transfer thereof for security as contemplated by this Assignment and (d) any and all proceeds of any of the foregoing, including any claims by Grantor against third parties for past, present and future infringement of the Trademarks or any licenses with respect thereto.

"Secured Obligations" means all present and future Obligations of any type or nature of Grantor arising under or relating to the Bally Gaming Facilities Guaranty.

"Secured Party" means the Administrative Agent who shall receive and hold the assignments made hereunder for the ratable benefit of each of the Lenders which are parties to the Loan Agreement from time to time. Subject to the terms and conditions of the Loan Agreement, any right, remedy, privilege, or power of Secured Party shall be exercised by the Administrative Agent, acting with the consent of those Lenders required by the Loan Agreement.

2. Assignment. For valuable consideration, Grantor hereby grants and assigns to Secured Party a security interest, to secure the prompt and indefeasible payment and performance of the Secured Obligations, and each of them, in and to all of the presently existing and hereafter acquired Collateral. This Assignment is a continuing and irrevocable agreement and all the rights, powers, privileges and remedies hereunder shall apply to any and all Secured Obligations, including those arising under successive transactions which shall either continue the Secured Obligations, increase or decrease them and notwithstanding the bankruptcy of Grantor or any other event or proceeding affecting Grantor.

3. Representations, Warranties and Covenants. Grantor represents, warrants and agrees that:

(a) All of the existing Collateral is valid and subsisting in full force and effect, and Grantor owns the sole, full, and clear title thereto, and the right and power to grant the security interests granted hereunder. Grantor will, at its expense, perform all acts and execute all documents necessary to maintain the existence of the Collateral as valid, subsisting, and registered trademarks, including, without limitation, the filing of any renewal affidavits and applications. The Collateral is not subject to any Liens, claims, mortgages, assignments or licenses of any nature whatsoever, whether recorded or unrecorded, except as permitted by the Loan Agreement.

(b) As of the date hereof, Grantor does not have any Trademarks registered, or subject to pending applications, in the USPTO, or any similar office or agency in the United States, or any other country that are material to the conduct of the business of Grantor, taken as a whole, other than those described in Schedule 1.

(c) Within 30 days of the filing of an application for the registration of a trademark with the USPTO or any similar office or agency in the United States, any State therein, or any other country, the applicable Grantor or Subsidiary of such Grantor shall inform Secured Party of the filing of any such application promptly thereafter. Upon request of Secured Party, Grantor shall execute and deliver to Secured Party any and all agreements, instruments, documents, and such other papers as may be requested by Secured Party to evidence the assignment of a security interest to Secured Party of such trademark. Grantor authorizes Secured Party to modify this Assignment by amending Schedule 1 to include any new trademark or service mark, and any trademark or service mark renewal of Grantor applied for and obtained hereafter.

(d) Grantor has not abandoned any of the Trademarks, and Grantor will not do any act, or omit to do any act, whereby the Trademarks may become abandoned, canceled, invalidated, unenforceable, avoided, or avoidable, where such abandonment, cancellation, invalidation, unenforceability, avoidance or avoidability may constitute a Material Adverse Effect. Grantor shall notify Secured Party promptly if it knows, or has reason to know, of any reason why any application, registration, or recording may become abandoned, canceled, invalidated, or unenforceable, and if as a result thereof, a Material Adverse Effect may result.

(e) Grantor will render any assistance, as Secured Party may reasonably determine is necessary, to Secured Party in any proceeding before the USPTO, any federal or state court, or any similar office or agency in the United States, or any State therein, or any other country, to protect Secured Party's security interest in the Trademarks.

(f) Grantor assumes all responsibility and liability arising from the use of the Trademarks, and Grantor hereby indemnifies and holds the Administrative Agent and each of the Lenders harmless from and against any claim, suit, loss, damage, or expense (including reasonable attorneys' fees) arising out of any alleged defect in any product manufactured, promoted, or sold by Grantor in connection with any Trademark or out of the manufacture, promotion, labeling, sale, or advertisement of any such product by Grantor.

(g) Grantor shall promptly notify Secured Party in writing of any adverse determination in any proceeding in the USPTO or any other foreign or domestic Governmental Agency, court or body, regarding Grantor's ownership of any of the Trademarks. In the event of any material infringement of any of the Trademarks by a third party, Grantor shall promptly notify Secured Party of such infringement and sue for and diligently pursue damages for such infringement unless it is in the best interest of the Grantors not to pursue such proceeding. In the event that Grantors elect not to pursue any rights that might apply to the applicable Grantor in connection with the infringement, Grantors will notify Secured Party of such election.

(h) Grantor shall, at its sole expense, do, make, execute and deliver all such additional and further acts, things, assurances, and instruments, in each case in form and substance satisfactory to Secured Party, relating to the creation, validity, or perfection of

the security interests provided for in this Assignment under 35 U.S.C. Section 261, 15 U.S.C. Section 1051 et seq., the Uniform Commercial Code or other Law of the United States, the State of New York, or of any countries or other States as Secured Party may from time to time reasonably request, and shall take all such other action as the Secured Party may reasonably require to more completely vest in and assure to Secured Party its security interest in any of the Collateral, and each Grantor hereby irrevocably authorizes Secured Party or its designee, at such Grantor's expense, to execute such documents, and file such financing statements with respect thereto with or without Grantor's signature, as Secured Party may reasonably deem appropriate. In the event that any recording or refileing (or the filing of any statement of continuation or assignment of any financing statement) or any other action, is required at any time to protect and preserve such security interest, Grantor shall, at its sole cost and expense, cause the same to be done or taken at such time and in such manner as may be necessary and as may be reasonably requested by Secured Party. Grantor further authorizes Secured Party to have this or any other similar security agreement recorded or filed with the USPTO or other appropriate federal, state or government office.

(i) Following Secured Party's request thereof and Grantor's failure to perform, Secured Party is hereby irrevocably appointed by Grantor as its lawful attorney and agent, with full power of substitution to execute and deliver on behalf of and in the name Grantor, such financing statements and other documents and agreements, and to take such other action as Secured Party may deem necessary for the purpose of perfecting, protecting or effecting the security interests granted herein and effected hereby, and any mortgages or Liens necessary or desirable to implement or effectuate the same, under any applicable Law, and Secured Party is hereby authorized to file on behalf of and in the name of Grantor, at Grantor's sole expense, such financing statements, documents and agreements in any appropriate governmental office.

(j) Secured Party may, in its sole discretion, pay any amount, or do any act which Grantor fails to pay or do as required hereunder to preserve, defend, protect, maintain, record, amend, or enforce the Secured Obligations, the Collateral, or the security interest granted hereunder, including, but not limited to, all filing or recording fees, court costs, collection charges, and reasonable attorneys' fees. Grantor will be liable to Secured Party for any such payment, which payment shall be deemed an advance by the Lenders to Grantor, shall be payable on demand, together with interest at the per annum rate then applicable to Base Rate Advances under the Loan Agreement, or the Default Rate, if applicable, and shall be part of the Secured Obligations.

4. Events of Default. Any "Event of Default" as defined in the Loan Agreement shall constitute an Event of Default hereunder.

5. Rights and Remedies. Upon the occurrence and during the continuance of any such Event of Default, in addition to all other rights and remedies of Secured Party, whether provided under Law, the Loan Agreement or otherwise, Secured Party may enforce its security interest hereunder which may be exercised without notice to, or consent by, Grantor, except as such notice or consent is expressly provided for hereunder. Upon such enforcement:

(a) Secured Party may use any of the Trademarks for the sale of goods, completion of work in process, or rendering of services in connection with enforcing any security interest granted to Secured Party by Grantor.

(b) Secured Party may grant such license or licenses relating to the Collateral for such term or terms, on such conditions and in such manner, as Secured Party shall, in its sole discretion, deem appropriate. Such license or licenses may be general, special, or otherwise, and may be granted on an exclusive or nonexclusive basis throughout all or part of the United States of America, its territories and possessions, and all foreign countries.

(c) Secured Party may assign, sell, or otherwise dispose of the Collateral, or any part thereof, either with or without special conditions or stipulations, except that Secured Party agrees to provide Grantor with five (5) days' prior written notice of any proposed disposition of the Collateral. The requirement of sending notice conclusively shall be met if such notice is mailed, first class mail, postage prepaid, to Borrower, on behalf of Grantor. Grantor hereby irrevocably appoints Borrower as its agent for the purpose of receiving notice of sale hereunder, and agrees that Grantor conclusively shall be deemed to have received notice of sale when notice of sale has been given to Borrower. Grantor expressly waives any right to receive notice of any public or private sale of any Collateral or other security for the Secured Obligations except as expressly provided in this Section 5(c). Secured Party shall have the power to buy the Collateral, or any part thereof, and Secured Party shall also have the power to execute assurances and perform all other acts which Secured Party may, in Secured Party's sole discretion, deem appropriate or proper to complete such assignment, sale, or disposition. In any such event, Grantor shall be liable for any deficiency.

(d) In addition to the foregoing, in order to implement the assignment, sale or other disposition of any of the Collateral pursuant to Section 5(c) hereof, Secured Party may, at any time, execute and deliver, on behalf of Grantor, pursuant to the authority granted in powers of attorney, one or more instruments of assignment of the Trademarks (or any application, registration, or recording relating thereto), in form suitable for filing, recording, or registration. Grantor agrees to pay Secured Party, on demand, all costs incurred in any such transfer of the Collateral, including, but not limited to any taxes, fees, and reasonable attorneys' fees.

(e) Secured Party may first apply the proceeds actually received from any such use, license, assignment, sale, or other disposition of Collateral first to the reasonable costs and expenses thereof, including, without limitation, reasonable attorneys' fees and all legal, travel, and other expenses which may be incurred by Secured Party. Thereafter, Secured Party may apply any remaining proceeds to such of the Secured Obligations as provided in the Loan Agreement. Grantor shall remain liable to Secured Party for any expenses or Secured Obligations remaining unpaid after the application of such proceeds, and Grantor will pay Secured Party, on demand, any such unpaid amount, together with interest at the rate(s) set forth in the Loan Agreement.

(f) Upon request of Secured Party, Grantor shall supply to Secured Party, or Secured Party's designee, Grantor's knowledge and expertise relating to the manufacture and sale of the products and services bearing the Trademarks and Grantor's customer lists and other records relating to the Trademarks and the distribution thereof.

Nothing contained herein shall be construed as requiring Secured Party to take any such action at any time. All of Secured Party's rights and remedies, whether provided under Law, the Loan Agreement, this Assignment, or otherwise shall be cumulative, and none is exclusive of any right or remedy otherwise provided herein or in any of the other Loan Documents, at law or in equity. Such rights and remedies may be enforced alternatively, successively, or concurrently.

6. Waivers.

(a) Grantor hereby waives any and all rights that it may have to a judicial hearing, if any, in advance of the enforcement of any of Secured Party's rights hereunder, including, without limitation, its rights following any Event of Default and during the continuance thereof to take immediate possession of the Collateral and exercise its rights with respect thereto.

(b) Secured Party shall not be required to marshal any present or future security for (including, but not limited to, this Assignment and the Collateral subject to a security interest hereunder), or guaranties of, the Secured Obligations or any of them, or to resort to such security or guaranties in any particular order. Grantor hereby agrees that it will not invoke any Law relating to the marshaling of collateral which might cause delay in or impede the enforcement of Secured Party's rights under this Assignment or any other instrument evidencing any of the Secured Obligations or by which any of such Secured Obligations is secured or guaranteed, and Grantor hereby irrevocably waives the benefits of all such Laws.

(c) Except for notices specifically provided for herein, Grantor hereby expressly waives demand, notice, protest, notice of acceptance of this Assignment, notice of loans made, credit extended, collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect both to Secured Obligations and any collateral therefor, Grantor assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, of any Person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as Secured Party may deem advisable. Secured Party shall have no duty as to the protection of the Collateral or any income thereon, nor as to the preservation of rights against prior parties, nor as to the preservation of any rights pertaining thereto except as otherwise required by Law. Secured Party may exercise its rights with respect to the Collateral without resorting or regard to other collateral or sources of reimbursement for liability. Secured Party shall not be deemed to have waived any of its rights upon or under the Loan Agreement or the Collateral unless such waiver be in writing and signed by the Secured Party. No delay or omission on the part of the Secured Party in exercising any right shall operate as a waiver of any right on any future occasion. All rights and remedies of the Secured Party under the Loan Agreement or on the

Collateral, whether evidenced hereby or by any other instrument or papers, shall be cumulative and may be exercised singularly or concurrently.

7. Costs and Expenses.

(a) Grantor will pay any and all charges, costs and taxes incurred in implementing or subsequently amending this Assignment, including, without limitation, recording and filing fees, appraisal fees, stamp taxes, and reasonable fees and disbursements of Secured Party's counsel incurred by Secured Party, and the allocated cost of in-house counsel to Secured Party, in connection with this Assignment, and in the enforcement of this Assignment and in the enforcement or foreclosure of any Liens, security interests or other rights of the Secured Party under this Assignment, or under any other documentation heretofore, now, or hereafter given to Secured Party in furtherance of the transactions contemplated hereby.

(b) Grantor agrees to reimburse Secured Party for and indemnify it against, any and all losses, expenses and liabilities (including liabilities for penalties) of whatever kind or nature sustained and reasonably incurred in connection with any claim, demand, suit or legal or arbitration proceeding relating to this Assignment, or the exercise of any rights or powers hereunder, including reasonable attorneys' fees and disbursements, and the allocated cost of in-house counsel to the Secured Party, except losses, expenses and liabilities arising out of Secured Party's own gross negligence or willful misconduct.

8. Continuing Effect. This Assignment shall remain in full force and effect and continue to be effective should any petition be filed by or against Grantor for liquidation or reorganization, should Grantor become insolvent or make an assignment for the benefit of creditors or should a receiver or trustee be appointed for all or any significant part of Grantor's assets.

9. Release of Grantor. This Assignment and all Secured Obligations of Grantor hereunder shall be released when all Secured Obligations (other than contingent indemnification obligations) have been paid in full in cash or otherwise performed in full and when no portion of the Commitments remains outstanding. Upon such release of Grantor's Secured Obligations hereunder, Secured Party shall return any Collateral to Grantor, or to the Person or Persons legally entitled thereto, and shall endorse, execute, deliver, record and file all instruments and documents, and do all other acts and things, reasonably required for the return of the Collateral to Grantor, or to the Person or Persons legally entitled thereto, and to evidence or document the release of Secured Party's interests arising under this Assignment, all as reasonably requested by, and at the sole expense of Grantor.

10. Additional Powers and Authorization. Secured Party shall be entitled to the benefits accruing to it as Administrative Agent under the Loan Agreement and the other Loan Documents. Notwithstanding anything contained herein to the contrary, Secured Party may employ agents, trustees, or attorneys-in-fact and may vest any of them with any Property (including, without limitation, any Collateral assigned hereunder), title, right or power deemed necessary for the purposes of such appointment.

11. WAIVER OF JURY TRIAL. GRANTOR AND SECURED PARTY HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION OR CAUSE OF ACTION ARISING UNDER THIS ASSIGNMENT, ANY LOAN DOCUMENT OR IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO OR ANY OF THEM WITH RESPECT TO THIS ASSIGNMENT, ANY LOAN DOCUMENT, OR THE TRANSACTIONS RELATED THERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT OR TORT OR OTHERWISE; AND GRANTOR AND SECURED PARTY HEREBY AGREE AND CONSENT THAT ANY SUCH CLAIM, DEMAND, ACTION OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY, AND THAT GRANTOR OR SECURED PARTY MAY FILE AN ORIGINAL COUNTERPART OR A COPY OF THIS SECTION WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE SIGNATORIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

12. CONSENT TO JURISDICTION; CHOICE OF FORUM.

(A) ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS ASSIGNMENT OR ANY OTHER LOAN DOCUMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK, AND, BY EXECUTION AND DELIVERY OF THIS AGREEMENT, GRANTOR HEREBY IRREVOCABLY ACCEPTS FOR ITSELF AND IN RESPECT OF ITS PROPERTY, GENERALLY AND UNCONDITIONALLY, THE JURISDICTION OF THE AFORESAID COURTS. GRANTOR HEREBY FURTHER IRREVOCABLY WAIVES ANY CLAIM THAT ANY SUCH COURTS LACK PERSONAL JURISDICTION OVER GRANTOR, AND AGREES NOT TO PLEAD OR CLAIM, IN ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENTS BROUGHT IN ANY OF THE AFOREMENTIONED COURTS, THAT SUCH COURTS LACK PERSONAL JURISDICTION OVER GRANTOR. GRANTOR FURTHER IRREVOCABLY CONSENTS TO THE SERVICE OF PROCESS OUT OF ANY OF THE AFOREMENTIONED COURTS IN ANY SUCH ACTION OR PROCEEDING BY THE MAILING OF COPIES THEREOF BY REGISTERED OR CERTIFIED MAIL, POSTAGE PREPAID, TO GRANTOR AT ITS ADDRESS SET FORTH OPPOSITE ITS SIGNATURE BELOW, SUCH SERVICE TO BECOME EFFECTIVE 30 DAYS AFTER SUCH MAILING. GRANTOR HEREBY IRREVOCABLY WAIVES ANY OBJECTION TO SUCH SERVICE OF PROCESS AND FURTHER IRREVOCABLY WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY ACTION OR PROCEEDING COMMENCED HEREUNDER OR UNDER ANY OTHER LOAN DOCUMENT THAT SERVICE OF PROCESS WAS IN ANY WAY INVALID OR INEFFECTIVE. NOTHING HEREIN SHALL AFFECT THE RIGHT OF THE ADMINISTRATIVE AGENT, ANY LENDER OR THE HOLDER OF ANY NOTE TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO COMMENCE LEGAL PROCEEDINGS OR OTHERWISE PROCEED AGAINST GRANTOR IN ANY OTHER JURISDICTION.

(B) GRANTOR HEREBY IRREVOCABLY WAIVES ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY OF THE AFORESAID ACTIONS OR PROCEEDINGS ARISING OUT OF OR IN CONNECTION WITH THIS ASSIGNMENT OR ANY OTHER LOAN DOCUMENT BROUGHT IN THE COURTS REFERRED TO IN CLAUSE (A) ABOVE AND HEREBY FURTHER IRREVOCABLY, TO THE EXTENT PERMITTED BY APPLICABLE LAW, WAIVES AND AGREES NOT TO PLEAD OR CLAIM IN ANY SUCH COURT THAT ANY SUCH ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

13. Miscellaneous.

(a) Grantor and Secured Party may from time to time agree in writing to the release of certain of the Collateral from the security interest created hereby.

(b) Any notice, request, demand or other communication required or permitted under this Assignment shall be in writing and shall be deemed to be properly given if done in accordance with Section 11.6 of the Loan Agreement.

(c) Except as otherwise set forth in the Loan Agreement, the provisions of this Assignment may not be modified, amended, restated or supplemented, whether or not the modification, amendment, restatement or supplement is supported by new consideration, except by a written instrument duly executed and delivered by Secured Party and Grantor.

(d) Except as otherwise set forth in the Loan Agreement or this Assignment, any waiver of the terms and conditions of this Assignment, or any Event of Default and its consequences hereunder or thereunder, and any consent or approval required or permitted by this Assignment to be given, may be made or given with, but only with, the written consent of Secured Party on such terms and conditions as specified in the written instrument granting such waiver, consent or approval.

(e) Any failure or delay by Secured Party to require strict performance by Grantor of any of the provisions, warranties, terms, and conditions contained herein, or in any other agreement, document, or instrument, shall not affect Secured Party's right to demand strict compliance and performance therewith, and any waiver of any default shall not waive or affect any other default, whether prior or subsequent thereto, and whether of the same or of a different type. None of the warranties, conditions, provisions, and terms contained herein, or in any other agreement, document, or instrument, shall be deemed to have been waived by any act or knowledge of Secured Party, its agents, officers, or employees, but only by an instrument in writing, signed by an officer of Secured Party and directed to Grantor, specifying such waiver.

(f) If any term or provision of this Assignment conflicts with any term or provision of the Loan Agreement, the term or provision of the Loan Agreement shall control.

(g) If any provision hereof shall be deemed to be invalid by any court, such invalidity shall not affect the remainder of this Assignment.

(h) This Assignment supersedes all prior oral and written assignments and agreements between the parties hereto on the subject matter hereof.

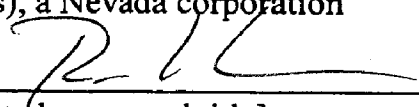
(i) This Assignment shall be binding upon, and for the benefit of, the parties hereto and their respective legal representatives, successors, and assigns.

(j) This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same agreement.

IN WITNESS WHEREOF, Grantor has executed this Assignment by its duly authorized officer as of the date first written above.

"Grantor"

BALLY GAMING, INC. (d/b/a Bally Gaming and Systems), a Nevada corporation

By: 

[Printed name and title]

Robert L. Saxton, Treasurer

ACCEPTED AND AGREED
AS OF THE DATE FIRST
ABOVE WRITTEN:

"Secured Party"

BANK OF AMERICA, N.A.,
as Administrative Agent, and for
and on behalf of the Lenders

By: _____

[Printed name and title]

Bally Gaming Trademark Assignment

TRADEMARK
REEL: 002877 FRAME: 0620

IN WITNESS WHEREOF, Grantor has executed this Assignment by its duly authorized officer as of the date first written above.

"Grantor"

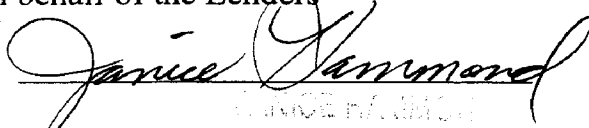
BALLY GAMING, INC. (d/b/a Bally Gaming and Systems), a Nevada corporation

By: _____
[Printed name and title]

ACCEPTED AND AGREED
AS OF THE DATE FIRST
ABOVE WRITTEN:

"Secured Party"

BANK OF AMERICA, N.A.,
as Administrative Agent, and for
and on behalf of the Lenders

By:  _____
[Printed name and title]

Bally Gaming Trademark Assignment